

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 6618
BILL NUMBER: SB 277

NOTE PREPARED: Dec 16, 2002
BILL AMENDED:

SUBJECT: Collection by county auditor of excess payments.

FIRST AUTHOR: Sen. Broden
FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: This bill allows a county auditor to collect: (1) excess property tax credits and overpayments of property tax refunds; and (2) overpayments in tax sale proceedings.

Effective Date: July 1, 2003.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: Under current law, counties may issue refunds or credits to taxpayers who have overpaid their property tax liabilities. This happens when the billing is in error or the assessment is changed.

While counties may already have the authority to do so, this proposal would clarify the procedure used by the county auditor to recapture refunds and credits made in error. Under the bill, the county auditor would have to notify the taxpayer of the excessive refund or credit within five years of payment of the refund or application of the credit. The taxpayer would have 30 days after the notice to repay the amount in error. The bill would allow the county auditor to take collections action if the taxpayer fails to make the payment.

In addition, the bill absolves the county auditor and the auditor's employees from liability concerning the excess refund or credit.

State Agencies Affected:

Local Agencies Affected: County auditors.

Information Sources:

Fiscal Analyst: Bob Sigalow, 317-232-9859